

**MINUTES OF A MEETING
KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BOARD OF DIRECTORS**

November 17, 2021

Opening of Meeting:

1. A regular meeting of the Board of Directors, Kentucky Workers' Compensation Funding Commission was held via Zoom video conference on November 17, 2021, Frankfort, Kentucky. Madam Chair Judy Long called the meeting to order.
2. Ms. Angela Calloway announced the meeting will be recorded in accordance with Kentucky Revised Statute 61.835.
3. Madam Chair Long verified the press notice and asked for a roll call.

Directors Present:

4. Judy Long, Self-Insured Employers Representative
Scott Wilhoit, Designee for Secretary Jamie Link, Labor Cabinet
Ryan Barrow, Designee for Secretary Holly M. Johnson, Finance & Administration Cabinet
Tim Feld, Insurance Advisory Organization Representative
Mark Isaacs, Labor Representative
Katie Smith, Designee for Secretary Larry Hayes, Cabinet for Economic Development

Others Present:

5. Lisa King, Executive Director, KWCFC
Olivia Orrender, Audit Review Manager, KWCFC
Kim Hay, Director, Fiscal Operations, KWCFC
Marcus Roland, General Counsel, KWCFC
Angela Calloway, Fiscal Services Officer, KWCFC
Lisa Fernandez, Fiscal Auditor, KWCFC
Ryan Robinson, Insurance Compliance Auditor, KWCFC
David Rogan, Director of Portfolio Management, Conning Inc.
Ed O'Daniel, Attorney
Kara Smothermon, OSBD
Prentice Harvey, Government Solutions, AIG
Dustin Miller, Government Solutions, AIG
Anna Sieroncinska, Pageant Media

Approval of Minutes:

6. Mr. Ryan Barrow made a motion to approve the September 22, 2021 Regular Meeting Minutes. Mr. Tim Feld seconded the motion. Motion carried.

Coal Workers' Pneumoconiosis Fund Liability Update: Tim Feld, KEMI

7. Mr. Tim Feld, on behalf of KEMI and Jon Stewart, provided an update on the Coal Workers' Pneumoconiosis Liability.
8. Mr. Feld presented a brief review of the Coal Workers' Pneumoconiosis Loss Portfolio and Modified Cash Basis of Accounting and updated the Board on the status of claims through October 31, 2021.

Investment Report: David Rogan, Conning, Inc. (report on file for referral)

9. Mr. David Rogan presented an update on the investment portfolio. He discussed the current economic and future capital market outlook through September 30, 2021. He also presented the Portfolio Reports and Analysis through October 31, 2021 and portfolio detail for the Self-Insurance Fund through September 30, 2021.
10. Mr. Tim Feld made the motion to accept the Investment Report as presented to the Board. Mr. Scott Wilhoit seconded the motion. Motion carried.

Financial Report: Kim Hay (report on file for referral)

11. Mr. Kim Hay reviewed the year to date budget versus actual expenses for KWCFC, the year to date internal financial statements, and fiscal year to date interagency transfers made by KWCFC for the period ending October 31, 2021.
12. Ms. Katie Smith made the motion to accept the financial reports as presented to the Board. Mr. Mark Isaacs seconded the motion. Motion carried.

Audit & Collections Update: Lisa King (report on file for referral)

13. Ms. Lisa King presented an update on the number of audits ongoing and completed.
14. Mr. Ryan Barrow made the motion to accept the Audit and Collections report as presented. Ms. Katie Smith seconded the motion. Motion carried.

Executive Session:

15. Madam Chair Long asked for a motion to go into Executive Session under KRS 61.810 (1) (c), (f) and (j) to discuss litigation, personnel, and penalty waivers.
16. Mr. Tim Feld made the motion to go into Executive Session. Mr. Mark Isaacs seconded the motion. Motion carried.

Open Session:

17. Ms. Katie Smith made the motion to return to open session. Mr. Mark Isaacs seconded the motion. Motion carried.

Other Business:

18. Mr. Marcus Roland updated the Board on the status of Brickstreet stating the case is currently in litigation.

Contract Update: Lisa King

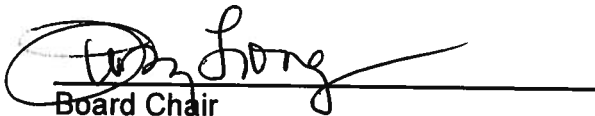
19. Ms. Lisa King updated the Board on contracts that require Board action.
20. Ms. King stated the audit software program with Ideagen is up for renewal and the Commission would like to exercise a renewal.
21. Ms. King added that the Director and Officer's Insurance (D&O) is being handled by Mr. Buryl Thompson and he will put that out to bid for the state. The Funding Commission is included under that contract.
22. Ms. King also added the current contract for investment services expires in June 2022, but the Commission seeks permission for the Board to post an RFP prior to the expiration, as there are no renewals on this contract.
23. Mr. Ryan Barrow made a motion to approve a one (1) year renewal of the audit software contract with Ideagen. Mr. Tim Feld seconded the motion. Motion carried.
24. Mr. Mark Isaacs made a motion to affirm the state's vendor selection for D&O Insurance. Mr. Tim Feld seconded the motion. Motion carried.
25. Ms. Katie Smith made a motion to authorize the Funding Commission to issue an RFP for an investment firm to manage the Special Fund and Self-Insurance Fund investments. Mr. Tim Feld seconded the motion. Motion carried.

New Business:

26. No new business.

Adjournment:

27. Ms. Katie Smith made a motion to adjourn. Mr. Tim Feld seconded the motion. Motion carried.


Board Chair